



NEWS RELEASE

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MARTINSVILLE COMPANY PLEADS GUILTY TO HAZARDOUS WASTE FELONY

United States Attorney John L. Brownlee announced today that Southern Finishing, Inc., a manufacturer of wood and metal components for the furniture and cabinet industry based in Stoneville, North Carolina, pled guilty in United States District Court in Danville, Virginia, to a felony for illegally storing hazardous waste at its facility in Martinsville, Virginia, in violation of the Resource Conservation and Recovery Act (RCRA).

“This case illustrates the importance of the proper and safe handling of hazardous waste from its generation, storage, transportation, and ultimate disposal,” said U.S. Attorney Brownlee. “We will prosecute anyone who knowingly violates federal laws and regulations designed to protect human health and the environment from the serious risks associated with managing this type of waste.”

According to the Information filed by Special Assistant U.S. Attorney David Lastra, from January 2002 to April 2004, Southern Finishing accumulated a large amount of 55-gallon drums containing hazardous waste consisting of waste paint, solvents, and finishes, without having a permit to do so. The amount of stored hazardous waste grew even more after the company received a June 2003 shipment of metal-coating material that contained hazardous air

pollutants and later learned that the federal Clean Air Act prohibited the application of such coatings. The hazardous waste was concealed among labeled drums of other waste and product material, so as to evade detection by regulators. More than a hundred and fifty 55-gallon drums of hazardous wastes were found on site. Some of the drums were not labeled, some had hazardous waste labels and accumulation dates more than ninety days old, and some were in poor condition (*i.e.*, leaking or punctured), according to the charge filed in court.

“The company tried to play 'hide and seek' with its hazardous wastes, rather than disposing of them safely and legally,” said Susan Helbert, Acting Special Agent in Charge of the Environmental Protection Agency Criminal Investigation Division office in Philadelphia. “Hazardous wastes must be stored and managed properly to ensure community, worker and environmental safety.”

RCRA regulates the generation, treatment, storage, and disposal of hazardous waste to ensure its safe management from the time it is generated until its ultimate disposal, that is, “cradle to grave.” Among other things, the statute prohibits the storage of hazardous waste unless an owner or operator of a hazardous waste storage facility obtains a permit pursuant to the implementing regulations.

Senior District Judge Jackson L. Kiser scheduled a sentencing hearing for December 7, 2007 in Danville, Virginia. The maximum penalty against a corporate defendant for knowingly violating the relevant RCRA provisions is a fine of up to \$50,000.00 per day of violation or \$500,000.00, whichever is greater.

The case was investigated by EPA's Criminal Investigation Division, the City of Roanoke Police Department, the Virginia Department of Environmental Quality, and the Blue

Ridge Environmental Task Force. It was prosecuted by Assistant U.S. Attorney Jennie L.M. Waering and Special Assistant U.S. Attorney David Lastra of EPA's Office of Regional Counsel.